REFERENCE TITLE: fire district amendments.

State of Arizona House of Representatives Forty-seventh Legislature Second Regular Session 2006

### **HB 2811**

Introduced by Representatives Mason, Chase, Downing, O'Halleran: Boone, Bradley, Hershberger, McComish, Nelson

#### AN ACT

AMENDING SECTIONS 48-261, 48-262 AND 48-263, ARIZONA REVISED STATUTES; REPEALING SECTION 48-265, ARIZONA REVISED STATUTES; AMENDING SECTIONS 48-266, 48-802, 48-803, 48-805, 48-806 AND 48-812, ARIZONA REVISED STATUTES; REPEALING SECTION 48-814, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 48-814; AMENDING SECTION 48-816, ARIZONA REVISED STATUTES; REPEALING SECTION 48-820, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 48-820 AND SECTION 48-822; AMENDING SECTION 48-2227, ARIZONA REVISED STATUTES; RELATING TO SPECIAL TAXING DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 48-261, Arizona Revised Statutes, is amended to read:

## 48-261. <u>District creation: procedures: notice: hearing:</u> determinations: petitions

- A. A fire district, community park maintenance district, sanitary district or hospital district for either a hospital or an urgent care center shall be created by the following procedures:
- 1. Any ADULT person desiring to propose creation of a district shall prepare and submit a district impact statement to the board of supervisors of the county in which the district is to be located. If a proposed district is located in more than one county, the impact statement shall be submitted to the board of supervisors of the county in which the majority of the assessed valuation of the proposed district is located. The boards of supervisors of any other counties in which a portion of the district is to be located shall provide information and assistance to the responsible board of supervisors. If the person desiring to create a district pursuant to this section is unable to complete the district impact statement, the board of supervisors may assist in the completion of the impact statement if requested to do so, provided the bond required in subsection C of this section is in an amount sufficient to cover any additional cost to the county. The district impact statement shall contain at least the following information:
- (a) A legal description of the boundaries of the proposed district and a detailed, accurate map of the area to be included in the district.
- (b) An estimate of the assessed valuation within the proposed district.
- (c) An estimate of the change in the property tax liability, as a result of the proposed district, of a typical resident of the proposed district.
- (d) A list and explanation of benefits that will result from the proposed district.
- (e) A list and explanation of the injuries that will result from the proposed district.
- (f) The names, addresses and occupations of the proposed members of the district's organizing board of directors.
- (g) A DESCRIPTION OF THE SCOPE OF SERVICES TO BE PROVIDED BY THE DISTRICT DURING ITS FIRST FIVE YEARS OF OPERATION. AT A MINIMUM THIS DESCRIPTION SHALL INCLUDE AN ESTIMATE OF ANTICIPATED CAPITAL EXPENDITURES, PERSONNEL GROWTH AND ENHANCEMENTS TO SERVICE.
- 2. On receipt of the district impact statement, the board of supervisors shall set a day, not fewer than thirty nor more than sixty days from that date, for a hearing on the impact statement. The board of supervisors may, at any time prior to making a determination pursuant to paragraph 4 of this subsection, MAY require that the impact statement be

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amended to include any information that the board of supervisors deems to be relevant and necessary.

- 3. Upon receipt of the district impact statement, the clerk of the board of supervisors shall mail, by first class mail, written notice of the statement, its purpose and notice of the day, hour and place of the hearing on the proposed district to each owner of taxable property and each qualified elector within the boundaries of the proposed district. The clerk of the board of supervisors shall post the notice in at least three conspicuous public places in the area of the proposed district and shall publish twice in a daily newspaper of general circulation in the area of the proposed district, at least ten days before the hearing, or, if no daily newspaper of general circulation exists in the area of the proposed district, then at least twice at any time before the date of the hearing, a notice setting forth the purpose of the impact statement, the description of the area of the proposed district and the day, hour and place of the hearing.
- 4. At the hearing called pursuant to paragraph 2 of this subsection, the board of supervisors shall hear those who appear for and against the proposed district and shall determine whether the creation of the district will promote public health, comfort, convenience, necessity or welfare. If the board of supervisors determines that the public health, comfort, convenience, necessity or welfare will be promoted, it shall approve the district impact statement and authorize the persons proposing the district to circulate petitions as provided in this subsection. The order of the board of supervisors shall be final, but if the request to circulate petitions is denied, a subsequent request for a similar district may be refiled with the board of supervisors after six months from the date of such denial.
- 5. Within fifteen days after receiving the approval of the board of supervisors as prescribed by paragraph 4 of this subsection, the clerk of the board shall determine the minimum number of signatures required for compliance with paragraph 7, subdivision  $\frac{d}{d}$  (b) of this subsection. After making that determination, that number of signatures shall remain fixed, notwithstanding any subsequent changes in voter registration records.
- 6. After receiving the approval of the board of supervisors as provided in paragraph 4 of this subsection, the ANY ADULT person proposing the district may circulate and present petitions to the board of supervisors of the county in which the district is located. All petitions circulated shall be returned to the board of supervisors within one year from the date of the approval of the board of supervisors pursuant to paragraph 4 of this subsection. Any petition that is returned more than one year from that date is void.
- 7. The petitions presented pursuant to paragraph 6 of this subsection shall comply with the provisions regarding petition form in  $\frac{48-265}{6}$  and  $\frac{48-265}{6}$  and  $\frac{48-265}{6}$
- (a) At all times, contain a legal description of the boundaries of the proposed district and a detailed, accurate map of the proposed district and

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the names, addresses and occupations of the proposed members of the district's organizing board of directors. No alteration of the proposed district shall be made after receiving the approval of the board of supervisors as provided in paragraph 4 of this subsection.

- (b) If a petition of property owners, Be signed by more than one-half of the property owners in the area of the proposed district AND BE SIGNED BY PERSONS OWNING COLLECTIVELY MORE THAN ONE-HALF OF THE ASSESSED VALUATION OF THE PROPERTY IN THE AREA OF THE PROPOSED DISTRICT.
- (c) If a petition of property owners, be signed by persons owning collectively more than one-half of the assessed valuation of the property in the area of the proposed district.
- (d) If a petition of qualified electors, be signed by more than one-half of the qualified electors within the boundaries of the proposed district.
- 8. On receipt of the petitions, the board of supervisors shall set a day, not fewer than ten nor more than thirty days from that date, for a hearing on the petition.
- 9. Prior to the hearing called pursuant to paragraph 8 of this subsection, the board of supervisors shall determine the validity of the petitions presented.
- 10. At the hearing called pursuant to paragraph 8 of this subsection, the board of supervisors, if the petitions are valid, shall order the creation of the district. The board of supervisors shall enter its order setting forth its determination in the minutes of the meeting, not later than ten days from the day of the hearing, and a copy of the order shall be filed in the county recorder's office. The order of the board of supervisors shall be final, and the proposed district shall be created thirty days after the board of supervisors votes to create the district. A decision of the board of supervisors under this subsection is subject to judicial review under title 12, chapter 7, article 6.
- B. For the purpose of determining the validity of the petitions presented pursuant to subsection A, paragraph 6 of this section:
- 1. Qualified electors shall be those persons qualified to vote pursuant to title 16.
- 2. 1. For the purposes of fulfilling the requirements of subsection A, paragraph 7, subdivisions (b) and (c) of this section. Property held in multiple ownership shall be treated as if it had only one property owner, so that the signature of only one of the owners of property held in multiple ownership is required on the formation petition.
  - 3. The value of property shall be determined as follows:
- (a) In the case of property assessed by the county assessor, values shall be the same as those shown on the last assessment roll of the county containing such property.
- (b) In the case of property valued by the department of revenue, the values shall be those determined by the department in the manner provided by

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law, for municipal assessment purposes. The county assessor and the department of revenue, respectively, shall furnish to the board of supervisors, within twenty days after such a request, a statement in writing showing the owner, the address of each owner and the appraisal or assessment value of properties contained within the boundaries of the proposed district as described in subsection A of this section.

- C. The board of supervisors may require of the person desiring to propose creation of a district pursuant to subsection A, paragraph 1 of this section a reasonable bond to be filed with the board at the start of proceedings under this section. The bond shall be in an amount sufficient to cover costs incurred by the county if the district is not finally organized. County costs covered by the bond include any expense incurred from completion of the district impact statement, mailing of the notice of hearing to district property owners and electors, publication of the notice of hearing and other expenses reasonably incurred as a result of any requirements of this section. The requirements of this subsection do not apply to proposed districts having fewer than one hundred qualified electors.
- D. If a district is created pursuant to this section, the cost of publication of the notice of hearing, the mailing of notices to electors and property owners and all other costs incurred by the county as a result of the provisions of this section shall be a charge against the district.
- E. If a proposed district would include property located within an incorporated city or town, in addition to the other requirements of subsection A of this section, the board shall approve the creation and authorize the circulation of petitions only if the governing body of the city or town has by ordinance or resolution endorsed such creation.
- F. Except as provided in section 48-2001, subsection A, the area of a district created pursuant to this section shall be contiguous.
- G. A district organized pursuant to this section shall have an organizing board of directors to administer the affairs of the district until a duly constituted board of directors is elected as provided in this title. The organizing board shall have all the powers, duties and responsibilities of an elected board. The organizing board shall consist of the three individuals named in the district impact statement and the petitions presented pursuant to subsection A of this section. If a vacancy occurs on the organizing board, the remaining board members shall fill the vacancy by appointing an interim member. Members of the organizing board shall serve without compensation but may be reimbursed for actual expenses incurred in performing their duties. The organizing board shall elect from its members a chairman and a clerk.
  - H. For the purposes of this section:
- $\frac{1.}{1.0}$  assessed valuation does not include the assessed valuation of property that is owned by a county, THIS STATE OR THE UNITED STATES GOVERNMENT.
  - 2. Property owner does not include a county.

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Sec. 2. Section 48-262, Arizona Revised Statutes, is amended to read: 48-262. <u>District boundary changes: procedures: notice: hearing: determinations: petitions</u>

- A. Except as prescribed by subsection H— I of this section, a fire district, community park maintenance district or sanitary district shall change its boundaries by the following procedures:
- 1. Any ADULT person desiring to propose any change to the boundaries of a district shall prepare and submit a boundary change impact statement to the governing body of the district. The boundary change impact statement shall contain at least the following information:
- (a) A legal description of the boundaries of the area to be included within the proposed change and a detailed, accurate map of the area. The boundaries of the proposed change shall not overlap with the boundaries of any other proposed new district of the same type or any annexation by a district of the same type for which petitions are being circulated on the date that the boundary change impact statement is filed with the governing body.
- (b) An estimate of the assessed valuation within the boundaries of the proposed change.
- (c) An estimate of the change in the tax rate of the district if the proposed change is made.
- (d) An estimate of the change in the property tax liability, as a result of the proposed change, of a typical resident of a portion of the district, not in the area of the proposed change, before and after the proposed change and of a typical resident of the area of the proposed change.
- (e) A list and explanation of benefits that will result from the proposed change to the residents of the area and of the remainder of the district.
- (f) A list and explanation of the injuries that will result from the proposed change to residents of the area and of the remainder of the district.
- 2. On receipt of the boundary change impact statement, the governing body shall set a day, not fewer than twenty nor more than thirty days from that date, for a hearing on the boundary change impact statement. The board of supervisors may at any time prior to making a determination pursuant to paragraph 5 of this subsection require that the impact statement be amended to include any information that the board of supervisors deems to be relevant and necessary.
- 3. Upon receipt of the boundary change impact statement, the clerk of the governing body shall mail, by first class mail, written notice of the statement, its purpose and notice of the day, hour and place of the hearing on the proposed change to each owner of taxable property and each qualified elector within the boundaries of the proposed change. The clerk of the governing body shall post the notice in at least three conspicuous public places in the area of the proposed change and also publish twice in a daily

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newspaper of general circulation in the area of the proposed change, at least ten days before the hearing, or if no daily newspaper of general circulation exists in the area of the proposed change, then at least twice at any time before the date of the hearing, a notice setting forth the purpose of the impact statement, the description of the boundaries of the proposed change and the day, hour and place of the hearing.

- 4. Upon receipt of the boundary change impact statement the clerk shall also mail notice, as provided in paragraph 3 of this subsection, to the chairman of the board of supervisors of the county in which the district is located. The chairman of the board of supervisors shall order a review of the proposed change and may submit written comments to the governing body of the district within ten days of receipt of the notice.
- 5. At the hearing called pursuant to paragraph 2 of this subsection, the governing body shall consider the comments of the board of supervisors, hear those who appear for and against the proposed change and determine whether the proposed change will promote the public health, comfort, convenience, necessity or welfare. If the governing body determines that the public health, comfort, convenience, necessity or welfare will be promoted, it shall approve the impact statement and authorize the persons proposing the change to circulate petitions as provided in this subsection. The order of the governing body shall be final, but if the request to circulate petitions is denied, a subsequent request for a similar change may be refiled with the governing body after six months from the date of such denial.
- 6. A person aggrieved by a decision of the governing body under this section may appeal to the board of supervisors of the county in which the district, or a majority of the district, is located, and a person aggrieved by a decision of the board of supervisors may appeal to the superior court in the county in the manner prescribed by title 12, chapter 7, article 6 and by posting a bond equal to the probable costs conditioned that the appellant will prosecute his appeal and will pay all costs that accrue in the court if a judgment is rendered affirming the decision of the board of supervisors. The court shall require the district governing body to pay all costs that accrue in the court, including reasonable attorney fees, and the bond shall be returned to the appellant, if a judgment is rendered in favor of the appellant.
- 6. THE GOVERNING BODY SHALL NOT APPROVE A PROPOSED ANNEXATION IF THE PROPERTY TO BE ANNEXED IS NOT CONTIGUOUS WITH THE DISTRICT'S EXISTING BOUNDARY. FOR PURPOSES OF DETERMINING WHETHER OR NOT THE PROPOSED ADDITION IS CONTIGUOUS, THE ADDITION IS DEEMED CONTIGUOUS IF LAND THAT IS OWNED BY OR UNDER THE JURISDICTION OF THE UNITED STATES GOVERNMENT, THIS STATE OR ANY POLITICAL SUBDIVISION OF THIS STATE, OTHER THAN AN INCORPORATED CITY OR TOWN, INTERVENES BETWEEN THE PROPOSED ADDITION AND THE CURRENT DISTRICT BOUNDARY.
- 7. THE GOVERNING BODY SHALL NOT APPROVE A PROPOSED ANNEXATION IF THE AREA PROPOSED TO BE ANNEXED SURROUNDS ANY UNINCORPORATED TERRITORY AND THAT UNINCORPORATED TERRITORY IS NOT ALSO INCLUDED IN THE DISTRICT.

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- $\frac{7.}{6}$  8. After receiving the approval of the governing body as provided in paragraph 5 of this subsection and provided no appeal filed pursuant to paragraph  $\frac{6}{6}$  14 of this subsection remains unresolved,  $\frac{1}{6}$  ANY ADULT person proposing the change may circulate and present petitions to the governing body of the district.
- 8. 9. Within fifteen days after receiving the approval of the governing body as prescribed by paragraph 5 of this subsection and after any appeal filed pursuant to paragraph 6 of this subsection has been resolved, the clerk of the board shall determine the minimum number of signatures required to comply with paragraph 9-10, subdivision (4) (b) of this subsection. After making that determination, that number of signatures shall remain fixed, notwithstanding any subsequent changes in the voter registration records OWNERSHIP OF THE PROPERTY WITHIN THE BOUNDARIES OF THE PROPOSED CHANGE.
- 9. 10. The petitions presented pursuant to paragraph 7- 8 of this subsection shall comply with the provisions regarding petition form in section 48-265 and verification in section 48-266 and shall:
- (a) At all times, contain a legal description of the boundaries of the area to be included within the proposed change and a detailed, accurate map of the area included within the proposed change. No alteration of the described area shall be made after receiving the approval of the governing body as provided in paragraph 5 of this subsection.
- (b) If a petition of property owners, Be signed by more than one-half of the property owners within the boundaries of the proposed change AND BE SIGNED BY PERSONS OWNING COLLECTIVELY MORE THAN ONE-HALF OF THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE BOUNDARIES OF THE PROPOSED CHANGE.
- (c) If a petition of property owners, be signed by persons owning collectively more than one half of the assessed valuation of the property within the boundaries of the proposed change.
- $\,$  (d) If a petition of qualified electors, be signed by more than one-half of the qualified electors within the boundaries of the proposed change.
- $\frac{10.}{10}$  11. On receipt of the petitions, the governing body shall set a day, not fewer than ten nor more than thirty days from that date, for a hearing on the request.
- $\frac{11}{12}$ . Prior to the hearing called pursuant to paragraph  $\frac{10}{10}$  11 of this subsection, the board of supervisors shall determine the validity of the petitions presented pursuant to subsection B of this section.
- 12. 13. At the hearing called pursuant to paragraph 10. 11 of this subsection, the governing body shall, if the petitions are valid, SHALL order the change to the boundaries. The governing body shall enter its order setting forth its determination in the minutes of the meeting, not later than ten days from the day of the hearing, and a copy of the order shall be sent to the officer in charge of elections and a copy shall be recorded in the county recorder's office. The order of the governing body shall be final,

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and the proposed change shall be made to the district boundaries thirty days after the governing body votes. An appeal of the order to change the boundaries to the board of supervisors pursuant to paragraph 6 of this subsection must be filed with the board of supervisors during such thirty day period.

14. ON FILING A VERIFIED COMPLAINT WITH THE SUPERIOR COURT, THE ATTORNEY GENERAL, THE COUNTY ATTORNEY OR ANY OTHER INTERESTED PARTY MAY QUESTION THE VALIDITY OF THE ANNEXATION FOR FAILURE TO COMPLY WITH THIS THE COMPLAINT SHALL INCLUDE A DESCRIPTION OF THE ALLEGED NONCOMPLIANCE AND SHALL BE FILED WITHIN THIRTY DAYS AFTER THE GOVERNING BODY OF THE DISTRICT ADOPTS A RESOLUTION THAT ANNEXES THE TERRITORY OF THE THE BURDEN OF PROOF IS ON THE PLAINTIFF TO PROVE THE MATERIAL ALLEGATIONS OF THE VERIFIED COMPLAINT. AN ACTION SHALL NOT BE BROUGHT TO QUESTION THE VALIDITY OF AN ANNEXATION RESOLUTION UNLESS IT IS FILED WITHIN THE TIME AND FOR THE REASONS PRESCRIBED IN THIS SUBSECTION. ALL HEARINGS THAT ARE HELD PURSUANT TO THIS PARAGRAPH AND ALL APPEALS OF ANY ORDERS SHALL BE PREFERRED AND SHALL BE HEARD AND DETERMINED IN PREFERENCE TO ALL OTHER CIVIL MATTERS, EXCEPT ELECTION ACTIONS. IF MORE THAN ONE COMPLAINT QUESTIONING THE VALIDITY OF AN ANNEXATION RESOLUTION IS FILED, ALL SUCH COMPLAINTS SHALL BE CONSOLIDATED FOR THE HEARING.

- B. For the purpose of determining the validity of the petitions presented pursuant to subsection A, paragraph  $\frac{7}{2}$  8 of this section:
- 1. Qualified electors shall be those persons qualified to vote pursuant to title 16.
- 2. 1. For the purposes of fulfilling the requirements of subsection A, paragraph 9, subdivisions (b) and (c) of this section, Property held in multiple ownership shall be treated as if it had only one property owner, so that the signature of only one of the owners of property held in multiple ownership is required on the boundary change petition.
  - 3. The value of property shall be determined as follows:
- (a) In the case of property assessed by the county assessor, values shall be the same as those shown on the last assessment roll of the county containing such property.
- (b) In the case of property valued by the department of revenue, the values shall be those determined by the department in the manner provided by law, for municipal assessment purposes. The county assessor and the department of revenue, respectively, shall furnish to the governing body, within twenty days after such a request, a statement in writing showing the owner, the address of each owner and the appraisal or assessment value of properties contained within the area of a proposed change as described in subsection A of this section.
- 4. 3. All petitions circulated shall be returned to the governing body of the district within one year from the date of the approval given by the governing body pursuant to subsection A, paragraph 5 of this section. Any petition returned more than one year from that date is void. If an

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appeal is filed pursuant to subsection A, paragraph 6-14 of this section, this time period for gathering signatures is tolled beginning on the date an action is filed in superior court and continuing until the expiration of the time period for any further appeal.

C. FOR THE PURPOSES OF DETERMINING WHETHER OR NOT THE PROPOSED ADDITION IS CONTIGUOUS, THE ADDITION IS DEEMED CONTIGUOUS IF LAND THAT IS OWNED BY OR UNDER THE JURISDICTION OF THE UNITED STATES GOVERNMENT, THIS STATE OR ANY POLITICAL SUBDIVISION OF THIS STATE, OTHER THAN AN INCORPORATED CITY OR TOWN, INTERVENES BETWEEN THE PROPOSED ADDITION AND THE CURRENT DISTRICT BOUNDARY. PROPERTY SHALL NOT BE APPROVED FOR ANNEXATION IF THE AREA PROPOSED TO BE ANNEXED SURROUNDS ANY UNINCORPORATED TERRITORY AND THAT UNINCORPORATED TERRITORY IS NOT ALSO INCLUDED IN THE DISTRICT.

C. D. If the change in the boundaries proposed pursuant to subsection A of this section would result in a withdrawal of territory from an existing district, the petitions shall be approved by the governing body only if the proposed withdrawal would not result in a noncontiguous portion of the district that is less than one square mile in size. If the changes proposed would result in an increase in the territory of the district, the petitions shall be approved by the governing body only if the proposed additions would be contiguous to the existing district as prescribed by section 9-471, subsection H and if the increase in territory does not result in a district that completely surrounds a territory that is in an unincorporated area of the county and that is not included in the district. For purposes of determining whether the addition proposed to be incorporated into the district is contiguous, the addition is deemed contiguous notwithstanding that land owned by or under the jurisdiction of the government of the United States, this state or any political subdivision, other than an incorporated city, intervenes between the proposed addition and the district boundary. Any whole parcel may be added to the district notwithstanding the provisions of section 9-471 regarding minimum size limitations.

D. E. If the impact statement described in subsection A of this section relates to the withdrawal of property from a district, in addition to the other requirements of subsection A of this section, the governing body shall also determine:

- 1. If the district has any existing outstanding bonds or other evidences of indebtedness.
- 2. If those bonds were authorized by an election and issued during the time the property to be withdrawn was lawfully included within the district.
  - $\vdash$  F. If the conditions of subsection  $\vdash$  E of this section are met:
- 1. The property withdrawn from the district shall remain subject to taxes, special assessments or fees levied or collected to meet the contracts and covenants of the bonds. The board of supervisors shall provide for the levy and collection of such taxes, special assessments or fees.
  - 2. The governing body shall:

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- (a) Annually determine the amount of special property taxes, special assessments or fees that must be levied and collected from property withdrawn from the district and the mechanism by which such amount is to be collected.
- (b) Notify the board of supervisors on or before the third Monday in July of the amount determined in subdivision (a) of this paragraph.
- 3. Property withdrawn from an existing district shall not be subject to any further taxes, special assessments or fees arising from the indebtedness of such district except as provided in this subsection.
- F. G. If the statement described in subsection A, paragraph 1 of this section requests the annexation of property located within an incorporated city or town, in addition to the other requirements of subsection A of this section, the governing body shall approve the district boundary change impact statement and authorize the circulation of petitions only if the governing body of the city or town has by ordinance or resolution endorsed such annexation and such annexation is authorized pursuant to this title.
- G. H. Except as provided in subsection  $\leftarrow$  D of this section and section 48-2002, no change in the boundaries of a district pursuant to this section shall result in a district which contains area that is not contiguous.
- Notwithstanding subsection A of this section, any property owner, INCLUDING A COUNTY, THIS STATE OR THE UNITED STATES GOVERNMENT, whose land is within a county that contains a sanitary district or fire district and whose land is adjacent CONTIGUOUS to the boundaries of the sanitary district or fire district may request in writing that the governing body of the district amend the district boundaries to include that property owner's land. A request made pursuant to this subsection shall be made before the county board of supervisors orders the creation of a proposed new district of the same type or the district governing body orders the annexation by a district of the same type in which the property owner's land is proposed for inclusion and for which petitions are being circulated. If the governing body determines that the inclusion of that property will benefit the district and the property owner, the boundary change may be made by order of the governing body and is final on the recording of the governing body's order that includes a legal description of the property that is added to the district. If the governing body does not order the boundary change, the land shall be included in the boundaries of the proposed new district of the same type or annexation by a district of the same type in which the property owner's land is proposed for inclusion and for which petitions are being A petition and impact statement are not required for an amendment to a sanitary district's or fire district's boundaries made pursuant to this subsection.
- $rac{I.}{I.}$  J. A fire district shall not annex or otherwise add territory that is already included in another existing fire district, unless deannexed pursuant to subsections  $rac{C.}{I.}$  D,  $rac{and}{I.}$  E AND F of this section.

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- K. A FIRE DISTRICT, COMMUNITY PARK MAINTENANCE DISTRICT OR SANITARY DISTRICT MAY APPROPRIATE AND SPEND MONIES AS NECESSARY OR REASONABLY REQUIRED TO ASSIST ONE OR MORE INDIVIDUALS OR ENTITIES TO CHANGE THE DISTRICT'S BOUNDARIES PURSUANT TO THIS SECTION.
- L. NOTWITHSTANDING SUBSECTION A OF THIS SECTION, IF AN INCORPORATED CITY OR TOWN HAS PREVIOUSLY ADOPTED A RESOLUTION DESIGNATING A FIRE DISTRICT AS THE FIRE SERVICE AGENCY FOR THE CITY OR TOWN, THE JURISDICTIONAL BOUNDARIES OF THE FIRE DISTRICT WITHOUT FURTHER NOTICE OR ELECTION SHALL BE CHANGED TO INCLUDE ANY PROPERTY ANNEXED INTO THE CITY OR TOWN. TOWN THAT HAS DESIGNATED A FIRE DISTRICT AS ITS FIRE SERVICE AGENCY SHALL INCLUDE A NOTICE IN ANY PETITION CIRCULATED PURSUANT TO SECTION 9-471 THAT INDICATES THAT PROPERTY ANNEXED BY THE CITY OR TOWN PURSUANT TO THE PETITION REQUEST SHALL ALSO BE ANNEXED BY THE FIRE DISTRICT. ANY FIRE DISTRICT BOUNDARY CHANGE THAT OCCURS THROUGH CITY OR TOWN ANNEXATION PURSUANT TO THIS SUBSECTION IS EFFECTIVE ON THE EFFECTIVE DATE OF THE ANNEXATION BY THE INCORPORATED CITY OR TOWN. IF AN INCORPORATED CITY OR TOWN THAT HAS DESIGNATED A FIRE DISTRICT AS THE FIRE SERVICE AGENCY FOR THAT CITY OR TOWN ANNEXES PROPERTY THAT IS ALREADY PART OF ANOTHER FIRE DISTRICT, THE ANNEXED PROPERTY SHALL REMAIN PART OF THE FIRE DISTRICT IN WHICH IT WAS LOCATED BEFORE THE CITY OR TOWN'S ANNEXATION.
  - J. M. For the purposes of this section:
- $\frac{1.}{1.}$  assessed valuation does not include the assessed valuation of property that is owned by a county, THIS STATE OR THE UNITED STATES GOVERNMENT.

#### 2. Property owner does not include a county.

- Sec. 3. Section 48-263, Arizona Revised Statutes, is amended to read: 48-263. Special taxing district impact statement: district creation; district boundary change; bond requirement
- A. Notwithstanding any other special taxing district organization or boundary change requirements, a special taxing district impact statement is required for each antinoxious weed district, pest control district, recreation center district, special road district, pest abatement district and irrigation water delivery district, as follows:
- 1. In the case of a special taxing district formation proposal and before the circulation of organization petitions otherwise required, the special taxing district impact statement and hearing requirements pursuant to section 48-261, subsection A, paragraphs 1 through 5 and subsections C, D and E shall first be complied with.
- 2. In the case of a proposed special taxing district boundary change to an existing district and before the circulation of any boundary change petitions otherwise required, the boundary change impact statement and hearing requirements pursuant to section 48-262, subsection A, paragraphs 1 through 5 and subsections  $\frac{1}{2}$  E and  $\frac{1}{2}$  G shall first be complied with.
- B. The board of supervisors may require the person desiring to propose creation of a special taxing district in subsection A of this section to post

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a reasonable bond to be filed with the board, in accordance with section 48-261, subsection C.

Sec. 4. Repeal

Section 48-265, Arizona Revised Statutes, is repealed.

Sec. 5. Section 48-266, Arizona Revised Statutes, is amended to read: 48-266. Petitions of property owners: form: verification

A. A petition of property owners that is submitted to comply with section 48-261, subsection A, paragraph 7, subdivisions (b) and (c) or section 48-262, subsection A, paragraph 8 shall contain a heading that clearly identifies the type of petition circulated and a statement that clearly describes the type of action being proposed. The petition shall be in a form similar to the form required by sections 19-101, 19-112 and 19-121 except that the petition shall not refer to a circulator and it shall not require an affidavit of circulator. THE PETITION SHALL BE IN A FORM THAT IS SUBSTANTIALLY SIMILAR TO THE FOLLOWING:

#### SPECIAL TAXING DISTRICT CREATION PETITION

TO THE BOARD OF SUPERVISORS OF (INSERT NAME) COUNTY:

WE THE UNDERSIGNED, QUALIFIED PROPERTY OWNERS OF (INSERT NAME OF COUNTY), STATE OF ARIZONA AND OWNING PROPERTY WITHIN THE ILLUSTRATED BOUNDARIES AS AND DEFINED ON THE ATTACHED EXHIBIT(S), LEGAL DESCRIPTION ANDMAP 0F THE **PROPOSED** BOUNDARIES, PETITION THE COUNTY BOARD OF SUPERVISORS TO CREATE A (INSERT DESCRIPTION OF DISTRICT) AS DESCRIBED IN THE ATTACHED EXHIBIT(S). I HAVE PERSONALLY SIGNED THIS PETITION WITH MY FIRST AND LAST NAMES. I HAVE NOT SIGNED ANY OTHER PETITION FOR THE SAME MEASURE. I AM A PROPERTY OWNER OF THE STATE OF ARIZONA, COUNTY OF

NOTICE: THIS IS ONLY A DESCRIPTION OF THE DISTRICT SOUGHT TO BE CREATED BY THE SPONSOR OF THE MEASURE. IT MAY NOT INCLUDE EVERY PROVISION CONTAINED IN THE MEASURE. BEFORE SIGNING, MAKE SURE THE EXHIBITS ARE ATTACHED. YOU HAVE THE RIGHT TO READ OR EXAMINE THE DISTRICT IMPACT STATEMENT BEFORE SIGNING.

#### WARNING

IT IS A CLASS 1 MISDEMEANOR FOR ANY PERSON TO KNOWINGLY DO ANY OF THE FOLLOWING:

- 1. SIGN A DISTRICT CREATION PETITION WITH A NAME OTHER THAN THE PERSON'S OWN NAME, EXCEPT IN A CIRCUMSTANCE WHERE THE PERSON SIGNS FOR ANOTHER PERSON, IN THE PRESENCE OF AND AT THE SPECIFIC REQUEST OF THAT PERSON, WHO IS INCAPABLE OF SIGNING THAT PERSON'S OWN NAME BECAUSE OF PHYSICAL INFIRMITY.
- 2. SIGN THE PERSON'S NAME MORE THAN ONCE FOR THE SAME MEASURE.
- 3. SIGN A DISTRICT CREATION PETITION IF THE PERSON IS NOT A PROPERTY OWNER.

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                      (FIRST AND
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                     LAST NAME
                                  (STREET &
                                                ADDRESS
                                                           (IF ANY)
                                  NO. AND IF
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                      PRINTED)
                                                & ZIP
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                                  NO STREET
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                                  DESCRIBE
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           (FIFTEEN NUMBERED LINES FOR SIGNATURES)
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                 THE VALIDITY OF SIGNATURES ON THIS SHEET MUST BE SWORN TO
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           BY THE CIRCULATOR BEFORE A NOTARY PUBLIC ON THE FORM APPEARING
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           ON THE BACK OF THE SHEET.
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           B. A PETITION OF PROPERTY OWNERS THAT IS SUBMITTED TO COMPLY WITH
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     SECTION 48-262, SUBSECTION A, PARAGRAPH 10 SHALL CONTAIN A HEADING THAT
     CLEARLY IDENTIFIES THE TYPE OF PETITION CIRCULATED AND A STATEMENT THAT
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     CLEARLY DESCRIBES THE TYPE OF ACTION BEING PROPOSED. THE PETITION SHALL BE
     IN A FORM SUBSTANTIALLY SIMILAR TO THE FOLLOWING:
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                       SPECIAL TAXING DISTRICT ANNEXATION PETITION
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                 TO THE GOVERNING BODY OF THE (INSERT NAME) DISTRICT:
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                 WE THE UNDERSIGNED, QUALIFIED PROPERTY OWNERS OF (INSERT
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           NAME OF COUNTY), STATE OF ARIZONA AND OWNING PROPERTY WITHIN THE
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           BOUNDARIES AS ILLUSTRATED AND
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           EXHIBIT(S), LEGAL DESCRIPTION
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           BOUNDARIES, PETITION THE DISTRICT TO ANNEX THE TERRITORY AS
           DESCRIBED IN THE ATTACHED EXHIBIT(S). THE AREA PETITIONING FOR
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           ANNEXATION, IF APPROVED BY THE GOVERNING BODY OF THE DISTRICT,
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           SHALL BECOME PART OF THE ANNEXING DISTRICT AND SUBJECT TO ALL
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PROPERTY OWNER OF THE STATE OF ARIZONA, COUNTY OF \_\_\_\_\_.

NOTICE: THIS IS ONLY A DESCRIPTION OF THE TERRITORY SOUGHT
TO BE ANNEXED BY THE SPONSOR OF THE MEASURE. IT MAY NOT INCLUDE
EVERY PROVISION CONTAINED IN THE MEASURE. BEFORE SIGNING, MAKE
SURE THE EXHIBITS ARE ATTACHED. YOU HAVE THE RIGHT TO READ OR
EXAMINE THE BOUNDARY CHANGE IMPACT STATEMENT BEFORE SIGNING.

RELEVANT PROVISIONS OF THE ARIZONA REVISED STATUTES. I HAVE

PERSONALLY SIGNED THIS PETITION WITH MY FIRST AND LAST NAMES. I

HAVE NOT SIGNED ANY OTHER PETITION FOR THE SAME MEASURE. I AM A

WARNING

IT IS A CLASS 1 MISDEMEANOR FOR ANY PERSON TO KNOWINGLY DO ANY OF THE FOLLOWING:

1. SIGN A DISTRICT ANNEXATION PETITION WITH A NAME OTHER THAN THE PERSON'S OWN NAME, EXCEPT IN A CIRCUMSTANCE WHERE THE PERSON SIGNS FOR ANOTHER PERSON, IN THE PRESENCE OF AND AT THE SPECIFIC REQUEST OF THAT PERSON, WHO IS INCAPABLE OF SIGNING THAT PERSON'S OWN NAME BECAUSE OF PHYSICAL INFIRMITY.

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                     SIGN THE PERSON'S NAME MORE THAN ONCE FOR THE SAME
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           MEASURE.
 3
                     SIGN A DISTRICT ANNEXATION PETITION IF THE PERSON IS
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           NOT A PROPERTY OWNER.
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           SIGNATURE NAME
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                                                 ARIZONA
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                      (FIRST AND
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                                   RESIDENCE
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                                   LOCATION)
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(FIFTEEN NUMBERED LINES FOR SIGNATURES)

THE VALIDITY OF SIGNATURES ON THIS SHEET MUST BE SWORN TO BY THE CIRCULATOR BEFORE A NOTARY PUBLIC ON THE FORM APPEARING ON THE BACK OF THE SHEET.

- C. EACH PETITION SHEET SHALL HAVE PRINTED IN CAPITAL LETTERS IN NO LESS THAN TWELVE POINT BOLD-FACED TYPE IN THE UPPER RIGHT-HAND CORNER OF THE FACE OF THE PETITION SHEET THE FOLLOWING:
  - "\_\_\_\_\_ PAID CIRCULATOR" "\_\_\_\_\_ VOLUNTEER"
- D. A CIRCULATOR OF PETITIONS SHALL STATE WHETHER THE CIRCULATOR IS A PAID CIRCULATOR OR VOLUNTEER BY CHECKING THE APPROPRIATE LINE ON THE PETITION FORM BEFORE CIRCULATING THE PETITION FOR SIGNATURES
- E. SIGNATURES OBTAINED ON PETITIONS IN VIOLATION OF SUBSECTION C OF THIS SECTION ARE VOID AND SHALL NOT BE COUNTED IN DETERMINING THE LEGAL SUFFICIENCY OF THE PETITION. THE PRESENCE OF SIGNATURES THAT ARE INVALIDATED UNDER THIS SUBSECTION ON A PETITION DOES NOT INVALIDATE OTHER SIGNATURES ON THE PETITION THAT WERE OBTAINED AS PRESCRIBED BY THIS SECTION.
- F. EVERY QUALIFIED PROPERTY OWNER SIGNING A PETITION SHALL DO SO IN THE PRESENCE OF THE PERSON WHO IS CIRCULATING THE PETITION AND WHO IS TO EXECUTE THE AFFIDAVIT OF VERIFICATION. AT THE TIME OF SIGNING, THE PROPERTY OWNER SHALL SIGN THE PROPERTY OWNER'S FIRST AND LAST NAMES IN THE SPACES PROVIDED AND THE PROPERTY OWNER SO SIGNING FOR THE PERSON CIRCULATING THE PETITION SHALL PRINT THE FIRST AND LAST NAMES AND WRITE, IN THE APPROPRIATE SPACES FOLLOWING THE SIGNATURE, THE SIGNER'S RESIDENCE ADDRESS, GIVING STREET AND NUMBER, AND IF PROPERTY OWNER HAS NO STREET ADDRESS, A DESCRIPTION OF THE RESIDENCE LOCATION. THE PROPERTY OWNER SO SIGNING OR THE PERSON CIRCULATING THE PETITION SHALL WRITE, IN THE APPROPRIATE SPACES FOLLOWING THE PROPERTY OWNER'S ADDRESS, THE DATE ON WHICH THE PROPERTY OWNER SIGNED THE PETITION.
- G. THE TITLE AND TEXT OF PETITIONS SHALL BE IN AT LEAST EIGHT POINT TYPE.

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H. ON THE AFFIDAVIT FORM PURSUANT TO THIS SECTION. THE PERSON BEFORE
     WHOM THE SIGNATURES AND ADDRESSES WERE WRITTEN ON THE SIGNATURE SHEET SHALL
     SUBSCRIBE AND SWEAR BEFORE A NOTARY PUBLIC THAT EACH OF THE NAMES ON THE
     SHEET WAS SIGNED AND THE NAME AND ADDRESS WERE PRINTED IN THE PRESENCE OF THE
     PROPERTY OWNER AND THE CIRCULATOR ON THE DATE INDICATED. AND THAT IN THE
     PERSON'S BELIEF EACH SIGNER WAS A PROPERTY OWNER ELIGIBLE TO SIGN THE
     PETITION AND THAT AT ALL TIMES DURING CIRCULATION OF THE SIGNATURE SHEET
     COPIES OF ANY REQUIRED EXHIBITS WERE ATTACHED. ALL SIGNATURES OF PETITIONERS
    ON A SIGNATURE SHEET SHALL BE THOSE OF QUALIFIED PROPERTY OWNERS. SIGNATURE
    AND HANDWRITING COMPARISONS MAY BE MADE.
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          I. THE AFFIDAVIT SHALL BE IN THE FOLLOWING FORM PRINTED ON THE REVERSE
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     SIDE OF EACH SIGNATURE SHEET:
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          AFFIDAVIT OF CIRCULATOR
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          STATE OF ARIZONA
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                                  ) SS.:
          COUNTY OF ____
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                   (WHERE NOTARIZED)
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          I, (PRINT NAME), A PERSON WHO IS QUALIFIED TO REGISTER TO VOTE IN THE
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     COUNTY OF _____, IN THE STATE OF ARIZONA AT ALL TIMES DURING MY CIRCULATION
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     OF THIS PETITION SHEET, AND UNDER THE PENALTY OF A CLASS 1 MISDEMEANOR,
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     DEPOSE AND SAY THAT EACH INDIVIDUAL SIGNED THIS SHEET OF THE FOREGOING
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     PETITION IN MY PRESENCE ON THE DATE INDICATED, AND I BELIEVE THAT EACH
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     SIGNER'S NAME AND RESIDENCE ADDRESS OR POST OFFICE ADDRESS ARE CORRECTLY
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     STATED AND THAT EACH SIGNER IS A QUALIFIED PROPERTY OWNER OF THE STATE OF
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    ARIZONA (OR IN THE CASE OF A CITY, TOWN OR COUNTY MEASURE, OF THE CITY, TOWN
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    OR COUNTY AFFECTED BY THE MEASURE PROPOSED TO BE INITIATED OR REFERRED TO THE
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    PEOPLE) AND THAT AT ALL TIMES DURING CIRCULATION OF THIS SIGNATURE SHEET A
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    COPY OF THE REQUIRED EXHIBITS WAS ATTACHED TO THE SIGNATURE SHEET.
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           (SIGNATURE OF AFFIANT)
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           (RESIDENCE ADDRESS, STREET
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          AND NUMBER OF AFFIANT, OR
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          IF NO STREET ADDRESS, A
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          DESCRIPTION OF RESIDENCE
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          LOCATION)
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          SUBSCRIBED AND SWORN TO BEFORE ME ON _
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                                                     (DATE)
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          NOTARY PUBLIC
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                                  ____, ARIZONA.
          MY COMMISSION EXPIRES ON
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                                       (DATE)
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           J. THE EIGHT POINT TYPE REQUIRED BY SUBSECTION G OF THIS SECTION DOES
    NOT APPLY TO MAPS, CHARTS OR OTHER GRAPHICS.
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- B. K. The board of supervisors or other governing body of a political subdivision that receives a petition pursuant to this section shall submit a copy of the signature sheets to the county assessor for verification. The county assessor shall:
- 1. Verify that the petition contains the names of more than one-half of the property owners in the area of the proposed district.
- 2. Determine the total assessed valuation of the property owned by the persons whose names are signed on the petition.
- C. L. The county assessor shall report the results of the verification to the board of supervisors or other governing body within ten days after receiving the copy of the signature sheets, not including Saturdays, Sundays and other legal holidays.
  - Sec. 6. Section 48-802, Arizona Revised Statutes, is amended to read: 48-802. <u>Election procedures</u>
- A. All elections held pursuant to this article shall conform to the requirements of this section.
- B. Except as otherwise provided in this article, the manner of conducting and voting at an election, contesting an election, keeping poll lists, canvassing votes and certifying returns shall be the same, as nearly as practicable, as in elections for county officers. If the fire district is administered by a board, after consultation with the officer in charge of elections, a fire district may divide itself into precincts. To the extent practicable, the precincts shall be equal or as nearly equal in population and shall conform to the boundaries of precincts adopted by the board of supervisors of the county. The fire district shall thereafter conduct its elections using those precincts.
- C. No person may vote at the election other than a qualified elector of this state who has registered to vote at least twenty-nine days before the election at AS a residence RESIDENT within the district boundaries or proposed district boundaries created by the merger of fire districts. A person offering to vote at a fire district election for which no fire district register has been supplied shall sign an affidavit stating his THE PERSON'S address and the fire district in which he THE PERSON resides and swearing he THE PERSON is qualified to vote and has not voted at the fire district election being held. A person offering to vote at a fire district election for which a fire district register has been supplied shall proceed as required for voting at any election at which precinct registers are used.
- D. In elections for an elected chief and secretary-treasurer or district board members:
- 1. The person or persons within the district or precinct, as applicable, receiving the highest number of votes shall be declared elected.
- 2. Candidates must be, and during incumbency must remain, qualified electors of the fire district, or in an election to merge fire districts, the proposed fire district. In a fire district that is divided into precincts as prescribed by subsection B of this section, candidates shall be qualified

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electors of the precinct in which they are candidates and during incumbency must remain qualified electors of that precinct.

- 3. Elections, other than special elections to fill a vacancy or elections to merge or dissolve fire districts, shall be held on the first Tuesday after the first Monday in November of the first even numbered year following the year the district is declared organized by the board of supervisors and, in the case of a fire district administered by a district board, every two years thereafter on the first Tuesday after the first Monday in November. Elections shall be held every four years thereafter in districts administered by an elected chief.
- 4. Except for an election to reorganize a fire district, nominating petitions shall be filed with the board of supervisors as prescribed by title 16, chapter 3. If only one person files or no person files a nominating petition for an election to fill a position on the district board or the position of elected fire chief or elected secretary-treasurer for which the term of office is to expire, the board of supervisors may cancel the election for that position and appoint the person who filed the nominating petition to fill the position. If no person files a nominating petition for an election to fill a district office, the board of supervisors may cancel the election for those offices and those offices are deemed vacant and shall be filled as otherwise provided by law. A person who is appointed pursuant to this paragraph is fully vested with the powers and duties of the office as if elected to that office.
- 5. The names of all nominated persons for office within the district or precinct, as applicable, shall appear on the ballot without partisan designation.
- E. In an election to reorganize or dissolve a fire district, notice of the appropriate order of the board of supervisors or governing body of the district shall be given as prescribed by title 16. An order to hold an election shall be issued not more than thirty days from the receipt of petitions pursuant to section 48-815.
- F. In an election to merge fire districts, notice of the appropriate order of the board of supervisors shall be given as prescribed by title 16. In addition, notice of the election with an accurate map of the territory proposed to be merged shall be sent by first class mail to each owner of property that would be subject to taxation by the merged district at least sixty days before the election. An order to hold an election shall be issued not more than thirty days after the receipt of petitions to merge fire districts pursuant to section 48-820.
  - Sec. 7. Section 48-803, Arizona Revised Statutes, is amended to read: 48-803. <u>District administered by a district board</u>
- A. In a district which the board of supervisors estimates has a population of fewer than four thousand inhabitants, the district board may consist of three or five members. In a district which the board of supervisors estimates has a population of four thousand or more inhabitants,

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the district board shall consist of five members. The estimate of population by the board of supervisors is conclusive and shall be based on available census information, school attendance statistics, election or voter registration statistics, estimates provided by state agencies or the county assessor, or other information as deemed appropriate by the board of supervisors. If the board of supervisors determines, at any time prior to one hundred twenty days before the next regular scheduled election for members of a district board, that the population of a fire district administered by a district board consisting of three members exceeds four thousand inhabitants, estimated as provided in this section, the board of supervisors shall order an increase in the number of members of the district IF THE BOARD OF SUPERVISORS DETERMINES AT ANY TIME PRIOR TO ONE HUNDRED EIGHTY DAYS BEFORE THE NEXT REGULARLY SCHEDULED ELECTION FOR MEMBERS OF A DISTRICT BOARD THAT THE POPULATION OF A FIRE DISTRICT ADMINISTERED BY A DISTRICT BOARD THAT CONSISTS OF FIVE MEMBERS EXCEEDS FIFTY THOUSAND INHABITANTS AS PRESCRIBED IN THIS SECTION, THE BOARD OF SUPERVISORS SHALL INFORM THE DISTRICT BOARD THAT IT MAY EXPAND TO SEVEN MEMBERS. ANY EXPANSION TO SEVEN MEMBERS SHALL OCCUR BY MAJORITY VOTE OF THE DISTRICT BOARD. The increase is effective for the election of two THE additional members at the next regular election of members of the district board.

- B. If a vacancy occurs on the district board other than from expiration of a term, the remaining board members shall fill the vacancy by appointment of an interim member. If the entire board resigns or for any reason cannot fulfill its duties, the board of supervisors shall appoint an administrator to administer the district with the same duties and obligations of the elected board. If the board of supervisors fails to appoint an administrator within thirty days, a special election shall be held to fill the vacancies on the fire district board.
- C. Members of the district board shall serve without compensation, but may be reimbursed for actual expenses incurred in performing duties required by law.
  - D. The board shall appoint or hire a fire chief.
  - E. The board shall elect from its members a chairman and a clerk.
- F. Of the members first elected to boards consisting of three members, the two people receiving the first and second highest number of votes shall be elected to four-year terms, and the person receiving the third highest number of votes shall be elected to a two-year term. Of the members first elected to boards consisting of five members, the three people receiving the first, second and third highest number of votes shall be elected to four-year terms, and the two people receiving the fourth and fifth highest number of votes shall be elected to two-year terms. Thereafter, the term of office of each board member shall be four years from the first day of the month next following such member's election. Of THE MEMBERS ELECTED AS ADDITIONAL MEMBERS TO A FIVE MEMBER BOARD, THE PERSON WITH THE HIGHEST NUMBER OF VOTES IS ELECTED TO A FOUR-YEAR TERM AND THE PERSON WITH THE SECOND-HIGHEST NUMBER

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OF VOTES IS ELECTED TO A TWO-YEAR TERM. IF A DISTRICT RESOLVES TO INCREASE THE GOVERNING BOARD TO SEVEN MEMBERS PURSUANT TO SUBSECTION A, THE GOVERNING BOARD MAY APPOINT TWO ADDITIONAL MEMBERS TO SERVE UNTIL THE NEXT GENERAL ELECTION. AFTER THE GENERAL ELECTION AT WHICH THE TWO ADDITIONAL MEMBERS ARE ELECTED, THE NEWLY ELECTED MEMBER WITH THE HIGHEST NUMBER OF VOTES SERVES A FOUR-YEAR TERM AND THE OTHER MEMBER SERVES A TWO-YEAR TERM. THEREAFTER, THE TERM OF OFFICE FOR THESE TWO NEW MEMBERS IS FOUR YEARS.

Sec. 8. Section 48-805, Arizona Revised Statutes, is amended to read: 48-805. Fire district; powers and duties

- A. A fire district, through its board or elected chief and secretary-treasurer, shall:
  - 1. Hold public meetings at least once each calendar month.
- 2. Prepare an annual budget containing detailed estimated expenditures for each fiscal year which shall clearly show salaries payable to employees of the district, including the elected or appointed chief. The budget shall be posted in three public places and published in a newspaper of general circulation in the district thirty days prior to a public hearing at a meeting called by the board or elected chief to adopt the budget. Copies of the budget shall also be available to members of the public upon written request to the district. Following the public hearing, the district board or elected chief and secretary-treasurer shall adopt a budget.
  - 3. Determine the compensation payable to district personnel.
- 4. Require probationary employees in a paid sworn firefighter position, a reserve firefighter position or a volunteer firefighter position to submit a full set of fingerprints to the fire district. The fire district shall submit the fingerprints to the department of public safety for the purpose of obtaining a state and federal criminal records check pursuant to section 41-1750 and Public Law 92-544. The department of public safety may exchange this fingerprint data with the federal bureau of investigation.
- B. A fire district, through its board or elected fire chief and secretary-treasurer, may:
- 1. Employ any personnel and provide services deemed necessary for fire protection, for preservation of life and for carrying out its other powers and duties, including providing ambulance transportation services when authorized to do so pursuant to title 36, chapter 21.1, article 2, but a member of a district board shall not be an employee of the district.
- 2. Construct, purchase, lease, lease-purchase or otherwise acquire the following or any interest therein and, in connection with such construction or other acquisition, purchase, lease, lease-purchase or grant a lien on any or all of its present or future property, including:
- (a) Apparatus, water and rescue equipment, including ambulances and equipment related to any of the foregoing.
- (b) Land, and buildings, with equipment and furnishings to house equipment and personnel necessary for fire protection and preservation of life OR APPROPRIATE TO CARRY OUT ITS PURPOSES.

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- 3. Finance the acquisition of property as provided in this section and costs incurred in connection with the issuance of bonds as provided in section 48-806. Bonds shall not be issued without the consent of a majority of the electors of the district voting at an election held for that purpose. For the purposes of an election held under this paragraph, all persons who are eligible to vote in fire district elections under section 48-802 are eligible to vote.
- 4. ENFORCE THE FIRE CODE ADOPTED BY THE DISTRICT, IF ANY, AND assist the state fire marshal in the enforcement of fire protection standards of this state within the fire district including enforcement of a nationally recognized fire code when expressly authorized by the state fire marshal.
- 5. After the approval of the qualified electors of the fire district voting at a regular district election or at a special election called for purpose by the district board or the elected chief secretary-treasurer, as appropriate, or at any election held in the county which encompasses the fire district, adopt the \_\_\_\_\_ fire code, which is a nationally recognized fire code approved by the state fire marshal. The words appearing upon the ballots shall be "Should district adopt the \_\_\_\_\_ fire code, which is a nationally recognized fire code approved by the state fire marshal--yes", "Should \_\_ fire district adopt the \_\_\_\_\_ fire code, which is a nationally recognized fire code approved by the state fire marshal--no". shall be enforced by the county attorney in the same manner as any other law or ordinance of the county. Any inspection or enforcement costs are the responsibility of the fire district involved. The district shall keep on file such code which shall be open to public inspection for a period of thirty days prior to any election for the purpose of adopting a fire code. COPIES OF THE ORDER OF ELECTION SHALL BE POSTED IN THREE PUBLIC PLACES IN THE DISTRICT NOT LESS THAN TWENTY DAYS BEFORE THE DATE OF THE ELECTION, AND IF A NEWSPAPER IS PUBLISHED IN THE COUNTY HAVING A GENERAL CIRCULATION IN THE DISTRICT, THE ORDER SHALL BE PUBLISHED IN THE NEWSPAPER NOT LESS THAN ONCE A WEEK DURING EACH OF THE THREE CALENDAR WEEKS PRECEDING THE CALENDAR WEEK OF THE ELECTION.
- 6. Amend or revise the adopted fire code, INCLUDING REPLACEMENT OF THE ADOPTED FIRE CODE WITH AN ALTERNATIVE NATIONALLY RECOGNIZED FIRE CODE, with the approval of the state fire marshal and after a hearing held pursuant to posted and published notice as prescribed by subsection A, paragraph 2 of this section. The district shall keep three copies of the adopted code, amendments and revisions on file for public inspection.
- 7. Enter into an agreement procuring the services of an organized private fire protection company or a fire department of a neighboring city, town, district or settlement without impairing the FIRE DISTRICT'S powers  $\frac{1}{2}$

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- 8. Contract with a city or town for fire protection services for all or part of the city or town area until the city or town elects to provide regular fire department services to the area.
- 9. Retain a certified public accountant to perform an annual audit of district books.
  - 10. Retain private legal counsel.
- 11. Accept gifts, contributions, bequests and grants and comply with any requirements of such gifts, contributions, bequests and grants not inconsistent with this article.
- 12. Enter into contracts and execute any agreements or instruments and do any other act necessary or appropriate to carry out its purposes.
- 13. 12. Appropriate and expend annually such monies as are necessary for the purpose of fire districts belonging to and paying dues in the Arizona fire district association AND OTHER PROFESSIONAL AFFILIATIONS OR ENTITIES.
- 14. 13. Adopt resolutions establishing fee schedules BOTH WITHIN AND OUTSIDE OF THE JURISDICTIONAL BOUNDARIES OF THE DISTRICT for providing fire protection services and services for the preservation of life, including emergency fire and emergency medical services, plan reviews, standby charges, fire cause determination, users' fees, facilities benefit assessments or any other fee schedule that may be required.
- 14. ADOPT RESOLUTIONS FOR A SCHEDULE FOR FINANCIAL REIMBURSEMENT TO TAXPAYERS FOR INSTALLATION OF CERTAIN FIRE PROTECTION SYSTEMS SUCH AS SPRINKLERS AND MONITORED ALARMS. ANY RESOLUTION TO OFFER REIMBURSEMENTS SHALL INCLUDE ALL OF THE FOLLOWING:
- (a) AN ANALYSIS OF SAVINGS TO THE DISTRICT BY REASON OF USE OF THE FIRE PROTECTION SYSTEMS.
  - (b) THE SPECIFICATIONS OF ALL QUALIFYING SYSTEMS.
- (c) THE REQUIREMENTS FOR CLAIMING REIMBURSEMENT. THE AMOUNT OF REIMBURSEMENT OFFERED SHALL BEAR A REASONABLE RELATIONSHIP TO THE COST SAVINGS THAT ACCRUE TO THE DISTRICT AS A RESULT OF THE INSTALLATION OF QUALIFYING SYSTEMS.
- (d) THE REQUIREMENT THAT THE RESOLUTION TO OFFER REIMBURSEMENTS EXPIRES ONE YEAR AFTER ITS ADOPTION UNLESS SPECIFICALLY READOPTED BY THE GOVERNING BOARD. A RESOLUTION TO READOPT A SCHEDULE FOR FINANCIAL REIMBURSEMENT SHALL ADDITIONALLY INCLUDE A STATEMENT AS TO THE PROGRAM'S EFFECTIVENESS.
- 15. After the approval of the qualified electors of the fire district voting at a regular district election or at a special election called for such purpose by the board of supervisors or at any election held in the county which encompasses the fire district, change its name.
- 15. THE GOVERNING BOARD OF A FIRE DISTRICT, WITH THE APPROVAL OF TWO OF THE THREE MEMBERS OF A THREE MEMBER BOARD, FOUR OF THE FIVE MEMBERS OF A FIVE MEMBER BOARD OR FIVE OF THE SEVEN MEMBERS OF A SEVEN MEMBER BOARD, MAY CHANGE THE DISTRICT'S NAME AND ON SO DOING SHALL GIVE WRITTEN NOTICE TO THE BOARD OF SUPERVISORS OF THE CHANGE.

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- 16. REQUIRE ALL EMPLOYEES TO SUBMIT A FULL SET OF FINGERPRINTS AS PRESCRIBED BY SUBSECTION A, PARAGRAPH 4 OF THIS SECTION.
- 17. ENTER INTO CONTRACTS, CHARGE FEES FOR SERVICES IN A MANNER AND IN AN AMOUNT ESTABLISHED BY THE GOVERNING BODY OF THE FIRE DISTRICT AND EXECUTE ANY AGREEMENTS OR INSTRUMENTS AND DO ANY OTHER ACT NECESSARY OR APPROPRIATE TO CARRY OUT ITS PURPOSES.
- C. The chairman and clerk of the district board or their respective designees or the elected chief and secretary-treasurer, as applicable, shall draw warrants on the county treasurer for money required to operate the district in accordance with the budget and, as so drawn, the warrants shall be sufficient to authorize the county treasurer to pay from the fire district fund.
- D. The district shall not incur any debt or liability in excess of taxes levied and to be collected and the money actually available and unencumbered at the time in the fund, except as provided in subsection B, paragraph 2 of this section and in sections 48-806 and 48-807.
- E. The county attorney may advise and represent the district when in the county attorney's judgment such advice and representation are appropriate and not in conflict with the county attorney's duties under section 11-532. If the county attorney is unable to advise and represent the district due to a conflict of interest, the district may retain private legal counsel or may request the attorney general to represent it, or both.
  - Sec. 9. Section 48-806, Arizona Revised Statutes, is amended to read: 48-806. Bond election; issuance and sale of bonds
- A. The district board or the elected chief and secretary-treasurer may order an election by the qualified electors of the district to be held pursuant to title 16, chapter 2, article 1 to determine whether bonds shall be issued on behalf of the district. The order shall specify the maximum principal amount of bonds to be issued, the maximum number of years bonds of any issue or series may run from their date not exceeding thirty years, the purpose for which the bonds are to be issued, the maximum rate of interest which the bonds are to bear, the date and hours of the election and the location of the polling places. Copies of the order shall be posted in three public places within the district not less than twenty days prior to the date of the election, and if a newspaper is published within the county having a general circulation within the district, the order shall be published in the newspaper not less than once a week during each of the three calendar weeks preceding the calendar week of the election.
- B. At the election the ballot shall contain the phrases "for the bonds" and "against the bonds". There shall be placed a square or other designated marking space in the same manner as used for candidates on ballots. The voter shall indicate a vote "for the bonds" or "against the bonds". No other question, word or figure need be printed on the ballot. The ballot need not be any particular size, nor need sample ballots be printed, posted or distributed BUT BALLOTS SHALL COMPLY WITH STANDARDS

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OTHERWISE PROVIDED BY LAW INCLUDING REQUIREMENTS FOR ELECTRONIC VOTING, IF APPLICABLE.

- C. If a majority of the qualified electors of the district voting at the election approves the issuance of bonds, the district board or the elected chief and secretary-treasurer, as appropriate, may issue bonds in an aggregate principal amount not exceeding the lesser of <a href="five">five</a> SIX per cent of the value of the taxable property in the district as shown on the last property tax assessment roll before issuing the bonds or the maximum amount specified in the election order.
- D. Bonds may be in such denominations, may be in registered or bearer form either as to principal or interest, or both, may mature at such times not exceeding the maximum maturity specified in the election order and may be subject to redemption prior to maturity, all as specified by the district board or elected chief and secretary-treasurer, as appropriate, as provided in subsection C. The district may engage the services of a depository to administer a book entry system for the bonds. The costs and expenses of such depository and any registrar or paying agent for the bonds shall be deemed to be interest expenses that may also be paid from the tax levy made pursuant to subsection G of this section.
- E. Bonds shall be executed by the manual or facsimile signatures of the chairman and clerk of the district board or elected chief and secretary-treasurer of the district. Coupons attached to the bonds shall bear the facsimile signature of the chairman of the district board or the elected chief of the district, as appropriate.
- F. The district board may sell the bonds at public or private sale or through an on-line bidding process. In addition, the district board may negotiate loan agreements or loan repayment agreements with the greater Arizona development authority in lieu of selling bonds where authority to sell bonds has been granted by the district's voters. The proceeds of sale on the bonds shall be deposited in an account of the fire district fund to be known as the capital fund to be applied for the purpose for which the bonds were issued.
- G. After the bonds are issued, the district board or elected chief and secretary-treasurer, as appropriate, shall enter on its THE DISTRICT'S minutes a record of the bonds sold and shall annually determine the amount of the tax levy to pay the bonds and certify such amount to the board of supervisors of the county. The board of supervisors shall annually cause to be levied and collected a tax, at the same time and in the same manner as other taxes are levied and collected upon all taxable property in the district, sufficient to pay principal of and interest on the bonds as they become due and payable. Monies derived from the levy of the tax when collected shall be deposited in the debt service fund and shall be applied only to payment of the principal of and interest on the bonds. On payment of the outstanding bonded indebtedness of the district, any monies remaining in

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the debt service fund shall be used to reduce the district's property tax levy in the next fiscal year.

Sec. 10. Section 48-812, Arizona Revised Statutes, is amended to read: 48-812. Disposition of fire district assets and relief and pension fund assets on annexation by or inclusion in a city or town

- A. When any area having a fire district established under this article is entirely annexed to a city or town or entirely included within a newly organized city or town, the fire district of the area annexed and all its assets, INCLUDING PERSONNEL, and liabilities of whatever description shall be merged and become a part of the fire department of the annexing city or town upon the date the city or town elects to provide fire protection services to such area.
- B. All assets and liabilities of whatever description and all books and records belonging to a <code>firemen's</code> FIRE FIGHTERS' relief and pension fund of an area annexed or newly organized shall be transferred to and shall become the property of the <code>firemen's</code> FIRE FIGHTERS' relief and pension fund of the annexing or newly organized city or town upon the date the city or town elects to provide fire protection services to such area.
- Any fireman, FIREFIGHTER WHO IS employed on a full-time basis by a fire district AND who becomes employed as a <del>fireman</del> FIREFIGHTER by an annexing or newly organized city or town within sixty days from and after the date the city or town elects to provide fire protection services to such area, shall become a member of the annexing or newly organized city or town's firemen's FIRE FIGHTERS' relief and pension fund, and he THAT FIREFIGHTER shall be granted service credit by the annexing or newly organized city or town in the same manner and in all respects as if the service had been rendered as a fireman FIREFIGHTER in the employment of the annexing or newly organized city or town, provided that the funds contributed by the fireman FIREFIGHTER to the fire district's firemen's FIRE FIGHTERS' relief and pension fund are transferred to the annexing or newly organized city or town's firemen's FIRE FIGHTERS' relief and pension fund, or if not so transferred, provided that the fireman FIREFIGHTER pay to the annexing or newly organized city or town's firemen's FIRE FIGHTERS' relief and pension fund the amount withdrawn, including the interest received at time of withdrawal.
- D. All pensions being paid on the effective date of annexation or organization from funds of the <code>firemen's</code> FIRE FIGHTERS' relief and pension fund of an area annexed by a city or town or newly organized city or town shall continue to be paid in accordance with <code>the provisions of</code> section 9-967 by the <code>firemen's</code> FIRE FIGHTERS' relief and pension fund of the annexing or newly organized city or town.

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Sec. 11. Repeal

Section 48-814, Arizona Revised Statutes, is repealed.

Sec. 12. Title 48, chapter 5, article 1, Arizona Revised Statutes, is amended by adding a new section 48-814, to read:

48-814. Property located outside of fire district territory:
reimbursement to fire district for cost of fire and
emergency medical services

A FIRE DISTRICT MAY PROVIDE OR ASSIST IN PROVIDING EMERGENCY FIRE OR EMERGENCY MEDICAL SERVICES OUTSIDE OF ITS OWN DISTRICT BOUNDARIES IF THOSE SERVICES ARE OTHERWISE UNAVAILABLE AND IF THOSE SERVICES ARE PROVIDED AT THE REQUEST OF ANY LAW ENFORCEMENT AGENCY, FIRE DISTRICT, FIRE DEPARTMENT OR PRIVATE PERSON, AND MAY RECEIVE REIMBURSEMENT FOR THE COSTS OF PROVIDING THE EMERGENCY SERVICES. THE PERSON RECEIVING THE SERVICES, OR ON WHOSE BEHALF THE SERVICES ARE PROVIDED, IS LIABLE TO THE FIRE DISTRICT FOR THE COSTS AND THESE COSTS CONSTITUTE A DEBT OF THAT PERSON AND MAY BE COLLECTED BY THE FIRE DISTRICT. FOR THE PURPOSES OF THIS SECTION, THE COSTS OF PROVIDING EMERGENCY FIRE OR MEDICAL SERVICES ARE THOSE COSTS SET FORTH IN RESOLUTIONS ADOPTED BY THE FIRE DISTRICT THAT ESTABLISH FEE SCHEDULES FOR EMERGENCY RESPONSE, STANDBY CHARGES, FEES FOR FIRE CAUSE DETERMINATION OR ANY OTHER FEES THAT MAY BE REQUIRED OR APPROPRIATE TO PROVIDE EMERGENCY FIRE AND MEDICAL SERVICES OUTSIDE OF ITS BOUNDARIES.

Sec. 13. Section 48-816, Arizona Revised Statutes, is amended to read: 48-816. Election to reorganize district

A. The board of supervisors shall make an order calling an election to decide whether to reorganize a fire district administered by an elected chief as a district administered by a district board, pursuant to section 48-803, or to reorganize a fire district administered by a district board as a district administered by an elected chief, pursuant to section 48-804, when a petition containing signatures of twenty-five per cent of the qualified electors residing within the district and praying that the district be reorganized is filed with the board except the board of supervisors shall not make an order calling for a reorganization election more frequently than once every two years. THE ELECTION MAY BE HELD ON ANY CONSOLIDATED ELECTION DATE AS PRESCRIBED IN SECTION 16-204. THE BOARD OF SUPERVISORS SHALL GIVE NOTICE OF THE ELECTION IN THE SAME MANNER PROVIDED FOR IN SECTION 48-806 FOR BOND ELECTIONS.

- B. The words appearing on the ballot shall be "reorganize as a fire district administered by (insert elected chief or district board, as specified)--yes", "reorganize as fire district administered by (insert elected chief or district board, as specified)--no". The ballots shall also allow each elector to indicate the elector's choice for elected chief and secretary-treasurer or board members, as appropriate, in the event of reorganization.
- C. Within fourteen days after the election, the board of supervisors shall meet and canvass the returns and if it is determined that a majority of

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the votes cast at the election was in favor of reorganizing the fire district, the board shall enter that fact on its minutes, declare the district duly reorganized and announce the names of those elected to the district board or as chief and secretary-treasurer.

- D. The board of supervisors shall make an order calling an election to decide whether to reorganize a fire district that has a board consisting of three members as a fire district that has a board consisting of five members when a petition containing the signatures of twenty-five per cent of the qualified electors residing within the district and praying that the district be reorganized is filed with the board except the board of supervisors shall not make an order calling for a reorganization election to expand the number of directors on the district board more frequently than once every two years.
- E. The words appearing on the ballot shall be "reorganize as a fire district administered by a five member board--yes", "reorganize as a fire district administered by a five member board--no". The ballots shall also allow each elector to indicate the elector's choices for two additional board members in the event of reorganization.
- F. Within fourteen days after the election, the board of supervisors shall meet and canvass the returns, and if it is determined that a majority of the votes cast at the election was in favor of reorganizing the fire district as a district with a five member board, the board shall enter that fact on its minutes, declare the district duly reorganized and announce the names of those elected to the district board.

Sec. 14. Repeal

Section 48-820, Arizona Revised Statutes, is repealed.

Sec. 15. Title 48, chapter 5, article 1, Arizona Revised Statutes, is amended by adding a new section 48-820, to read:

48-820. Merger of fire districts: notice: hearing: approval: joint meeting: merged district board

A. TWO OR MORE FIRE DISTRICTS MAY MERGE IF THE GOVERNING BODY OF EACH AFFECTED FIRE DISTRICT, BY A THREE-FOURTHS VOTE OF THE MEMBERS OF EACH GOVERNING BODY, ADOPTS A RESOLUTION DECLARING THAT A MERGER BE CONSIDERED AND A PUBLIC HEARING BE HELD TO DETERMINE IF A MERGER WOULD BE IN THE BEST INTERESTS OF THE DISTRICT AND WOULD PROMOTE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. AFTER EACH DISTRICT ADOPTS SUCH A RESOLUTION, THE GOVERNING BODY BY FIRST CLASS MAIL SHALL SEND WRITTEN NOTICE OF THE RESOLUTION, ITS PURPOSE AND NOTICE OF THE DAY, HOUR AND PLACE OF A HEARING ON THE PROPOSED MERGER TO EACH OWNER OF TAXABLE PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT. THE NOTICE SHALL CONTAIN THE NAME AND DESCRIPTION OF THE BOUNDARIES OF EACH DISTRICT PROPOSED TO BE MERGED AND A DETAILED, ACCURATE MAP OF THE AREA TO BE INCLUDED IN THE MERGER. NO NEW TERRITORY MAY BE INCLUDED AS A RESULT OF THE MERGER.

B. THE CLERK OF THE GOVERNING BODY SHALL POST NOTICE IN AT LEAST THREE CONSPICUOUS PUBLIC PLACES IN THE DISTRICT AND SHALL ALSO PUBLISH NOTICE TWICE IN A DAILY NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY IN WHICH THE

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DISTRICT IS LOCATED, AT LEAST TEN DAYS BEFORE THE PUBLIC HEARING. THE CLERK OF EACH GOVERNING BODY AFFECTED BY THE PROPOSED MERGER SHALL ALSO MAIL NOTICE AND A COPY OF THE RESOLUTION IN SUPPORT OF THE MERGER TO THE CHAIRMAN OF THE BOARD OF SUPERVISORS OF THE COUNTY OR COUNTIES IN WHICH THE AFFECTED DISTRICTS ARE LOCATED. THE CHAIRMAN OF THE BOARD OF SUPERVISORS SHALL ORDER A REVIEW OF THE PROPOSED MERGER AND SHALL SUBMIT WRITTEN COMMENTS TO THE GOVERNING BODY OF EACH FIRE DISTRICT LOCATED IN THAT COUNTY WITHIN TEN DAYS AFTER RECEIPT OF THE NOTICE.

- C. AT THE HEARING, THE GOVERNING BODY OF THE DISTRICT SHALL CONSIDER THE COMMENTS OF THE BOARD OF SUPERVISORS, HEAR THOSE PERSONS WHO APPEAR FOR OR AGAINST THE PROPOSED MERGER AND DETERMINE WHETHER THE PROPOSED MERGER WILL PROMOTE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. IF, AFTER THE PUBLIC HEARING EACH OF THE GOVERNING BODIES OF THE DISTRICTS AFFECTED BY THE PROPOSED MERGER ADOPT A RESOLUTION BY A THREE-FOURTHS VOTE THAT THE MERGER WILL PROMOTE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE, THE MERGER IS DEEMED APPROVED.
- D. BEFORE CONSIDERING ANY RESOLUTION OF MERGER PURSUANT TO THIS SECTION, A GOVERNING BODY SHALL OBTAIN WRITTEN CONSENT TO THE MERGER FROM ANY SINGLE TAXPAYER WHO OWNS THIRTY PER CENT OR MORE OF THE NET ASSESSED VALUATION OF THE TOTAL NET ASSESSED VALUATION OF THE DISTRICT.
- E. ON APPROVAL BY EACH DISTRICT OF THE RESOLUTION FOR MERGER AFTER A PUBLIC HEARING, THE GOVERNING BODY OF THE AFFECTED DISTRICT WITH THE LARGEST POPULATION SHALL WITHIN THIRTY DAYS CALL A JOINT MEETING OF THE GOVERNING BODIES OF ALL OF THE AFFECTED DISTRICTS. AT THE JOINT MEETING, A MAJORITY OF THE MEMBERS OF THE GOVERNING BODY OF EACH AFFECTED DISTRICT CONSTITUTES A QUORUM FOR THE PURPOSE OF TRANSACTING BUSINESS. THE MEMBERS OF THE GOVERNING BODY SHALL APPOINT A TOTAL OF FIVE PERSONS FROM THOSE CURRENTLY SERVING ON THE GOVERNING BODIES WHO SHALL COMPLETE THEIR REGULAR TERMS OF OFFICE, EXCEPT THAT NO MORE THAN THREE OF THE PERSONS APPOINTED MAY SERVE TERMS THAT END IN THE SAME YEAR. NO MORE THAN THREE MEMBERS SHALL BE APPOINTED FROM THE SAME FIRE DISTRICT BOARD.
- F. THE APPOINTED GOVERNING BODY SHALL IMMEDIATELY MEET AND ORGANIZE ITSELF AND ELECT FROM ITS MEMBERS A CHAIRMAN AND A CLERK. THE APPOINTED BOARD BY RESOLUTION SHALL DECLARE THE DISTRICTS MERGED AND EACH AFFECTED DISTRICT JOINED. THE GOVERNING BOARD BY RESOLUTION SHALL DECLARE THE NAME OF THE NEWLY MERGED FIRE DISTRICT. THE RESOLUTION AND THE NAMES OF THE NEW BOARD MEMBERS FOR THE NEWLY ORGANIZED DISTRICT SHALL BE SENT TO THE BOARD OF SUPERVISORS, AND THE MERGER SHALL BE DEEMED COMPLETED THIRTY DAYS AFTER THE ADOPTION OF THE RESOLUTION.

# 48-822. <u>Consolidation of fire districts; resolution; impact statement; hearing</u>

A FIRE DISTRICT MAY CONSOLIDATE WITH ONE OR MORE OTHER FIRE DISTRICTS FORMED PURSUANT TO SECTION 48-261 AS FOLLOWS:

1. A RESOLUTION REQUESTING THE CONSOLIDATION OF ONE FIRE DISTRICT IS PASSED BY A MAJORITY VOTE OF THE GOVERNING BODY REQUESTING CONSOLIDATION INTO

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ANOTHER FIRE DISTRICT. THE REQUESTING DISTRICT SHALL SEND BY FIRST CLASS MAIL THE NOTICE OF REQUEST TO CONSOLIDATE DISTRICTS TO THE FIRE DISTRICT IN WHICH THE CONSOLIDATION IS REQUESTED.

- 2. ON RECEIPT OF THE RESOLUTION REQUESTING CONSOLIDATION, AND ON APPROVAL BY MAJORITY VOTE OF THE GOVERNING BODY RECEIVING THE REQUEST, THE FIRE DISTRICTS BY MUTUAL AGREEMENT SHALL PREPARE A CONSOLIDATION IMPACT STATEMENT THAT INCLUDES THE FOLLOWING:
- (a) A LEGAL DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED CONSOLIDATED DISTRICT AND A DETAILED, ACCURATE MAP OF THE AREA TO BE INCLUDED IN THE CONSOLIDATED DISTRICT. NO NEW TERRITORY MAY BE INCLUDED AS A RESULT OF A DISTRICT CONSOLIDATION.
- (b) AN ESTIMATE OF THE ASSESSED VALUATION IN THE PROPOSED CONSOLIDATED DISTRICT.
- (c) AN ESTIMATE OF THE CHANGE IN THE PROPERTY TAX LIABILITY OF A TYPICAL RESIDENT OF THE PROPOSED CONSOLIDATED DISTRICT AS A RESULT OF THE PROPOSED CONSOLIDATED DISTRICT.
- (d) A LIST AND EXPLANATION OF BENEFITS THAT WILL RESULT FROM THE PROPOSED CONSOLIDATED DISTRICT.
- (e) A LIST AND EXPLANATION OF THE INJURIES THAT WILL RESULT FROM THE PROPOSED CONSOLIDATED DISTRICT.
- 3. ON COMPLETION OF THE CONSOLIDATION IMPACT STATEMENT, THE GOVERNING BODY OF EACH FIRE DISTRICT SHALL SET A DAY FOR A HEARING ON THE IMPACT STATEMENT THAT IS NOT FEWER THAN SIXTY NOR MORE THAN NINETY DAYS AFTER THE DATE OF THE COMPLETION AND APPROVAL OF THE CONSOLIDATION IMPACT STATEMENT. THE DISTRICT GOVERNING BODIES MAY AT ANY TIME BEFORE MAKING A DETERMINATION PURSUANT TO PARAGRAPH 4 OF THIS SECTION REQUIRE THAT THE IMPACT STATEMENT BE AMENDED TO INCLUDE ANY INFORMATION THAT THE BOARD DEEMS TO BE RELEVANT AND NECESSARY.
- 4. ON SETTING THE DATE FOR HEARING ON THE CONSOLIDATED DISTRICT IMPACT STATEMENT, THE CLERK OF EACH GOVERNING BODY SHALL SEND BY FIRST CLASS MAIL WRITTEN NOTICE OF THE STATEMENT, ITS PURPOSE AND NOTICE OF THE DAY, HOUR AND PLACE OF THE HEARING ON THE PROPOSED CONSOLIDATED DISTRICT TO EACH OWNER OF TAXABLE PROPERTY WITHIN THE BOUNDARIES OF THE RESPECTIVE FIRE DISTRICTS. THE CLERK OF EACH GOVERNING BODY SHALL POST THE NOTICE IN AT LEAST THREE CONSPICUOUS PUBLIC PLACES IN THE RESPECTIVE DISTRICTS AND SHALL PUBLISH NOTICE TWICE IN A DAILY NEWSPAPER OF GENERAL CIRCULATION IN THE AREA OF THE PROPOSED CONSOLIDATED DISTRICT, AT LEAST TEN DAYS BEFORE THE HEARING.
- 5. AT THE HEARING CALLED PURSUANT TO PARAGRAPH 3 OF THIS SECTION, THE GOVERNING BODY SHALL HEAR THOSE PERSONS WHO APPEAR FOR AND AGAINST THE PROPOSED CONSOLIDATED DISTRICT AND SHALL DETERMINE WHETHER THE CREATION OF THE DISTRICT WILL PROMOTE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. IF THE GOVERNING BODY OF EACH DISTRICT DETERMINES THAT THE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE WILL BE PROMOTED, IT SHALL APPROVE THE CONSOLIDATED DISTRICT IMPACT STATEMENT.

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- 6. WITHIN FIFTEEN DAYS AFTER THE APPROVAL OF THE BOARD AS PRESCRIBED BY PARAGRAPH 5 OF THIS SECTION, THE CLERK OF THE BOARD OF THE DISTRICT REQUESTING CONSOLIDATION SHALL SEND BY FIRST CLASS MAIL NOTICE OF THE APPROVAL TO THE FIRE DISTRICT IN WHICH THE CONSOLIDATION IS REQUESTED.
- 7. AFTER RECEIVING THE APPROVAL OF THE REQUESTING GOVERNING BODY TO CONSOLIDATE DISTRICTS AS PROVIDED IN PARAGRAPH 6 OF THIS SECTION, THE GOVERNING BODY OF THE DISTRICT INTO WHICH CONSOLIDATION WAS REQUESTED SHALL SET A DAY FOR A HEARING ON THE CONSOLIDATION OF THE DISTRICTS. THE HEARING SHALL BE HELD NOT FEWER THAN THIRTY NOR MORE THAN SIXTY DAYS AFTER THE DATE OF THE APPROVAL BY THE REQUESTING GOVERNING BODY.
- 8. AT THE HEARING CALLED PURSUANT TO PARAGRAPH 7 OF THIS SECTION, THE GOVERNING BODY SHALL DETERMINE IF THE CREATION OF THE CONSOLIDATED DISTRICT WILL PROMOTE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. IF THE GOVERNING BODY OF THE DISTRICT DETERMINES THAT THE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE WILL BE PROMOTED, IT SHALL BY RESOLUTION DECLARE THE DISTRICTS CONSOLIDATED AND EACH AFFECTED DISTRICT JOINED.
- 9. THE GOVERNING BODY SHALL ENTER ITS ORDER SETTING FORTH ITS DETERMINATION IN THE MINUTES OF THE MEETING NOT LATER THAN TEN DAYS AFTER THE DAY OF THE HEARING, AND A COPY OF THE ORDER SHALL BE FILED IN THE COUNTY RECORDER'S OFFICE.
- 10. THE ORDER OF THE GOVERNING BODY SHALL BE FINAL AND THE PROPOSED CONSOLIDATED DISTRICT SHALL BE CREATED TEN DAYS AFTER THE GOVERNING BODY VOTES TO CREATE THE CONSOLIDATED DISTRICT.
- 11. THOSE PERSONS CURRENTLY SERVING AS THE GOVERNING BODY OF THE DISTRICT INTO WHICH CONSOLIDATION WAS REQUESTED SHALL SERVE AS THE GOVERNING BODY OF THE NEWLY CONSOLIDATED DISTRICT AND COMPLETE THEIR REGULAR TERMS OF OFFICE. THE NEWLY CONSOLIDATED DISTRICT GOVERNING BODY SHALL CONSIST OF AT LEAST FIVE MEMBERS.
- 12. IF THE CONSOLIDATION RESULTS IN A NEW DISTRICT POPULATION THAT IS GREATER THAN FIFTY THOUSAND PERSONS, THE NEW GOVERNING BOARD MAY APPOINT AN ADDITIONAL TWO MEMBERS TO SERVE UNTIL THE NEXT GENERAL ELECTION AT WHICH TIME THE NEWLY ELECTED MEMBER WITH THE HIGHEST NUMBER OF VOTES SERVES A FOUR YEAR TERM AND THE OTHER MEMBER SERVES A TWO YEAR TERM. THEREAFTER, THE TERM OF OFFICE FOR THESE TWO NEW MEMBERS IS FOUR YEARS.
- 13. THE GOVERNING BODY BY RESOLUTION SHALL DECLARE THE NAME OF THE NEWLY CONSOLIDATED FIRE DISTRICT.
- 14. IF A NEWLY CONSOLIDATED FIRE DISTRICT HAS A COMBINED POPULATION THAT EXCEEDS FIFTY THOUSAND PERSONS, THE GOVERNING BODY OF THE NEWLY CONSOLIDATED FIRE DISTRICT MAY BY RESOLUTION DECLARE THE NAME OF THE NEWLY CONSOLIDATED FIRE DISTRICT TO INCLUDE WITHIN THE NAME THE TITLE OF FIRE AUTHORITY.
- 15. A DECISION OF THE GOVERNING BODY UNDER THIS SECTION IS SUBJECT TO JUDICIAL REVIEW UNDER TITLE 12, CHAPTER 7, ARTICLE 6.

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- 16. IF A PROPOSED CONSOLIDATED DISTRICT WOULD INCLUDE PROPERTY LOCATED IN AN INCORPORATED CITY OR TOWN, IN ADDITION TO THE OTHER REQUIREMENTS OF THIS SECTION, THE GOVERNING BODY OF THE DISTRICT SHALL APPROVE THE CREATION OF THE CONSOLIDATED DISTRICT ONLY IF THE GOVERNING BODY OF THE CITY OR TOWN ENDORSES THE CREATION BY ORDINANCE OR RESOLUTION.
- 17. BEFORE CONSIDERING ANY RESOLUTION OF CONSOLIDATION PURSUANT TO THIS SECTION, A GOVERNING BODY SHALL OBTAIN WRITTEN CONSENT TO THE CONSOLIDATION FROM ANY SINGLE TAXPAYER WHO OWNS THIRTY PER CENT OR MORE OF THE NET ASSESSED VALUATION OF THE TOTAL NET ASSESSED VALUATION OF THE DISTRICT.
- Sec. 16. Section 48-2227, Arizona Revised Statutes, is amended to read:

#### 48-2227. <u>Incorporated area in the district; withdrawal</u>

- A. The district may be established or the boundaries changed pursuant to section 48-262 to include incorporated cities or towns as well as unincorporated areas.
- B. Notwithstanding section 48-262, the governing body of an incorporated city or town that desires to withdraw from the district shall notify the board of directors and publish a notice once each week for three consecutive weeks in a newspaper of general circulation in the district. The municipal governing body shall hold at least one hearing on the issue of withdrawing from the district and shall receive all written and oral comments presented at the hearing. The municipal governing body shall vote on the issue at the conclusion of the hearing, and if the vote is to withdraw from the district, the withdrawal is effective ninety days after the hearing.
- C. On withdrawal, property located in the city or town is subject to  $\frac{1}{100}$  the provisions of section 48-262, subsection  $\frac{1}{100}$  F and the incorporated area of the city or town is not entitled to health service district services.

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